

NON-DEPARTMENTAL

BUDGET OVERVIEW

(\$ In Millions)	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Difference	2-yr % change	1-yr % Change
Total Budget	\$14.4	\$15.2	\$0.8	\$13.4	(\$1.0)	-6.9%	-3.5%

COST DRIVERS

Salaries and Benefits up \$905K:

- Salary and benefit contingency increased to provide additional 1.6% funding for wage settlements over and above the 4.5% included in departmental budgets.

Professional services decreased \$222K:

- Eliminated one-time funding professional services funding to implement Citywide records management system (\$500K) and parks bond study (\$78K).
- Other services and charges increased \$356K, primarily due to:
 - Fire dispatch contingency established to ensure adequate funding is available to handle potential increases in the Fire dispatch contract with Bellevue (\$200,000).
 - Jail contingency established to ensure enough funding is available to pay jail services under different alternatives (\$100,000).

Intergovernmental payments decreased \$167K:

- Eliminated one-time contribution to the Fireman's Pension Fund budgeted of \$175,000 in 2005-06.

Interfund Transfers decreased \$1.6 million:

- General Fund operating reserve increased by \$700,000 to maintain it at 8.5% per City fiscal policy. Total operations reserve increases from \$4.2 million to \$4.9 million.
- Redirect 5% CIP transfer of \$4.9 million (this contribution is worth \$5.8 million in 2007-08).
- Eliminated \$271,000 in one-time funding for affordable housing and City Hall furniture.
- Building permit reserve increased by \$700,000 to reflect pickup in development activity and increase funding level to 25% of development review costs in accordance with policy. Total reserve for 2007-2008 is \$1.1 million.
- Human services per capita contribution is \$10.40 for 2007 and \$10.62 for 2008, resulting in an additional \$100,000 being transferred to the fund over the biennium. Total contributions is \$1.2 million.
- Arts Activity per capita transfer is maintained at \$1.50 plus an allocation for arts program administration. Total transfer increases \$8,000 to \$191,000/biennium.
- City Hall lease payments budgeted for two years in 2007-2008; previous budget was only for one year. General fund contribution increases from \$972,000 to \$1.9 million in 2007-2008.

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NEW PROGRAMS

Additional one-time transfer to Capital Equipment Replacement Fund for replacement of critical city equipment (\$1.2 million):

An additional \$1.2 million of one-time money is being transferred to the capital equipment replacement fund for general assets. Total contribution is \$3.2 million.

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WHAT DO WE DO?		WHY DO WE DO IT?		HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
				2005-2006	2007-2008	
SALARY AND BENEFIT ITEMS				\$1,983,057	\$2,888,055	
Salary and benefit contingency to provide resources to fund anticipated costs of labor settlements, unemployment compensation, and vacation payouts.	To comply with state law, labor agreements, and city policies.			\$1,723,057	\$2,628,055	Legally mandated
Vacation payout contingency	To comply with state law, labor agreements, and city policies.			\$110,000	\$110,000	Legally mandated
Unemployment insurance reimbursement	To comply with state law.			\$150,000	\$150,000	Legally mandated
PROFESSIONAL SERVICES				\$1,191,324	\$969,170	
Fire dispatch contingency	To ensure adequate funds are available in the event Bellevue increases the costs for fire dispatch.			\$0	\$200,000	Core service
Jail contract contingency	To ensure adequate funds are available for jail services.			\$0	\$100,000	Legally mandated
Parks Bond study	To study the feasibility of a community parks bond issue.			\$78,000	0	Value Added
Create and implement city-wide records management system.	To automate the management of records and alleviate the need for file space as the City moves into the new City Hall.			\$500,000	\$0	Core service
Contract with Northwest Center for operation of the Redmond Pool.	To ensure that the pool remains open and the City continues to meet the recreational needs of its diverse community.			\$200,000	\$200,000	Value-added
Mail services	To ensure mail is delivered timely and efficiently.			\$150,626	\$167,026	Core service

NON-DEPARTMENTAL (cont.)

WHAT DO WE DO?		WHY DO WE DO IT?	HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
			2005-2006	2007-2008	
PROFESSIONAL SERVICES (cont.)					
Regional memberships	To ensure Redmond's regional interests are represented.		\$164,698	\$199,144	Core service
Miscellaneous contracts to monitor arbitrage and cable TV regulations, pay for BTTI administrative expenses, growth model maintenance, Citywide microfilming/storage, and replacement/maintenance of exercise equipment in the Public Safety building.	To comply with federal and state laws relating to arbitrage and cable TV and provide funding to support BTTI activities.		\$98,000	\$103,000	Legally mandated and value-added
INTERGOVERNMENTAL PAYMENTS			\$287,267	\$120,119	
Contract with King County for air pollution management, marine patrol services, and alcohol rehabilitation programs.	To protect the City, promote community well-being through clean air and enhance public safety services.		\$112,405	\$120,119	Core services
Transfer to the Fireman's Pension Fund.	To comply with federal and state laws, which requires that Fireman's Pension Fund revenues be received in the General Fund.		\$174,862	\$0	Legally mandated
INTERFUND TRANSFERS			\$10,934,047	\$9,375,236	
Transfer 5% of General Fund revenues to CIP.	To provide funding to CIP to support capital facilities and programs approved by City Council.		\$5,142,663	\$0	Core Service
Transfer to Arts Activity fund.	To enrich the community and enhance its ownership, appreciation, and awareness of art and art programs.		\$182,784	\$190,754	Value-added services

NON-DEPARTMENTAL (cont.)

WHAT DO WE DO?		WHY DO WE DO IT?	HOW MUCH DOES IT COST?		IS IT LEGALLY MANDATED, CORE, OR VALUE ADDED SERVICE?
			2005-2006	2007-2008	
INTERFUND TRANSFERS (cont.)					
Sponsor citywide community events.	To support community connectedness, celebrate diversity, and build sense of community.	\$215,000	\$215,000	Value-added	
Transfer to Insurance fund.	To insure city assets, high risk areas, and city employees and to indemnify the City against general liability, property damage, loss, and worker injuries.	\$1,322,122	\$1,257,109	Core service	
Transfer to Human Services.	To provide a safety net for Redmond citizens in need.	\$1,098,548	\$1,191,868	Core Service	
Fund reserve at 8.5% of General Fund operating revenues.	To provide a reserve and sufficient cash flow to meet daily operating needs and protect the City against a major economic downturn or catastrophic event.	\$0	\$678,330	Core Service	
Building Permit reserve based on 25% of the cost of development review activity.	To ensure that the City has sufficient resources to continue to meet its development review obligations during downturn in the building cycle.	\$0	\$696,315	Core Services	
Transfer to Capital Equipment Replacement Fund.	To provide for the replacement of aging and obsolete equipment.	\$2,000,000	\$3,200,000	Core Service	
Lease payment for new City Hall	To address city space needs.	\$972,930	\$1,945,860	Core and contracted obligations	
TOTAL NON-DEPARTMENTAL BUDGET			\$14,395,695	\$13,352,580	

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EXPENDITURE SUMMARY BY OBJECT

NON-DEPARTMENTAL	2005-2006 Budget	2005-2006 Estimate	Over/ (Under)	2007-2008 Budget	Budget to Budget Difference
Salaries					
Salary and Benefit					
Contingency	1,723,057	2,524,293	801,236	2,628,055	904,998
Vacation/Severance					
Contingency	110,000	0	(110,000)	110,000	0
Unemployment Insurance	150,000	37,623	(112,377)	150,000	0
Subtotal Salaries	\$1,983,057	\$2,561,916	\$578,859	\$2,888,055	\$904,998
Professional Services					
Professional Services	792,626	729,136	(63,490)	231,026	(561,600)
Other svcs and charges	398,698	833,746	435,048	738,144	339,446
Subtotal Services	\$1,191,324	\$1,562,882	\$371,558	\$969,170	(\$222,154)
Intergovernmental Payments					
Intergov't'l Services	287,267	115,074	(172,193)	120,119	(167,148)
Subtotal					
Intergov't'l Payments	\$287,267	\$115,074	(\$172,193)	\$120,119	(\$167,148)
Interfund Transfers					
5% CIP Transfer	5,142,663	5,142,663	0	0	(5,142,663)
Arts Activity Fund Transf	182,784	182,784	0	190,754	7,970
Special Events Transfer	215,000	215,000	0	215,000	0
Insurance Premium Transf	1,322,122	1,322,122	0	1,257,109	(65,013)
Human Services Transfer	1,098,548	1,098,548	0	1,191,868	93,320
Operating Reserve Transf	0	0	0	1,374,645	1,374,645
Capital Equipment					
Replacement Transfer	2,000,000	2,000,000	0	3,200,000	1,200,000
Capital Lease (City Hall)	972,930	972,930	0	1,945,860	972,930
Subtotal					
Interfund Transfers	\$10,934,047	\$10,934,047	\$0	\$9,375,236	(\$1,558,811)
Total	\$14,395,695	\$15,173,919	\$778,224	\$13,352,580	(\$1,043,115)